Government of Saskatchewan

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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Cattle Market Update

For the Week Ending September 11, 2015

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Saskatchewan Feeder Steer and Feeder Heifer Prices ($/cwt)

Feeder Steers		300-400	400-500	500-600	600-700	700-800	800-900	900+ lb.
Sept. 11/2015	Average	$366.00	$345.33	$317.00	$294.25	$280.25	$264.38	$245.50
Sept. 11/2015	Range	341-438	325-405	310-376	287-322	269-301	255-275	236-261
week/week	Change	N.A.	-$23.34	-$18.83	-$6.42	$1.58	-$1.37	N.A
Sept. 4/2015	Average	$378.33	$368.67	$335.83	$300.67	$278.67	$265.75	$245.83
Feeder Heifers		**300-400**	**400-500**	**500-600**	**600-700**	**700-800**	**800+ lb.**	
Sept. 11/2015	Average	$317.67	N.A.	N.A.	N.A.	$257.25	$243.00	
Sept. 11/2015	Range	290-360	N.A.	N.A.	N.A.	246-269	236-250	
week/week	Change	N.A.	N.A.	N.A.	N.A.	-$0.08	-$1.25	
Sept. 4/2015	Average	N.A.	N.A.	N.A.	$269.50	$257.33	$244.25	

Source: CanFax

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week. N.A. means not available due to lack of sufficient data.

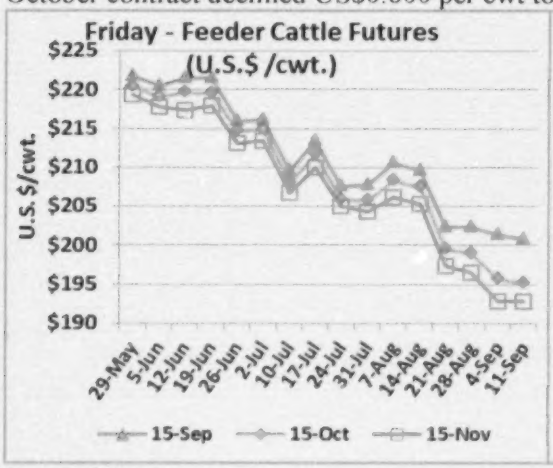
Canfax reported that a total of 4,772 head of cattle were sold in Saskatchewan this week, up from 4,398 head marketed the previous week. Feeder cattle price ranges in most weight categories reported were noticeably wider than the previous week.

Saskatchewan feeder steer prices over the week were primarily lower. Prices from the previous week ranged from $23.34 per cwt lower to $1.58 per cwt higher. The 400-500 lb. feeder steer weight category declined the most losing $23.34 per cwt, erasing almost two-thirds of the big gains from the previous week. The 700-800 lb. weight category had the only price gains over the week increasing $1.58 per cwt.

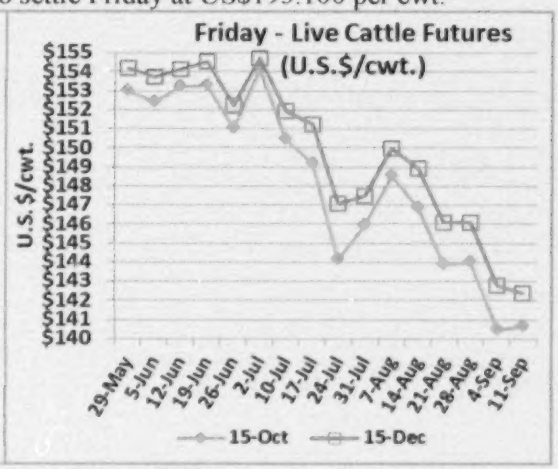
Saskatchewan feeder heifer prices were only reported for the 300-400 lb., 700-800 lb., and 800+ lb. weight categories. Feeder heifer prices over the week edged overall lower in the two weight categories that were reported, compared to the previous week reported. Feeder heifer prices over the week for the reported categories declined slightly ($0.08 per cwt) to $1.25 per cwt, with the 800+ lb. feeder heifer weight category declining the most.

The Saskatchewan 750 lb. feeder steer basis compared to the September 10, 2015, U.S. feeder cattle index at US$205.18 per cwt was calculated at **+$8.31** per cwt (US$205.18/0.7545-$280.25), a basis narrowing (improvement) of $5.30 per cwt from the basis of **+$3.01** per cwt the previous week. This was the third week in a row that Saskatchewan cattle had a positive basis.

Feeder cattle futures prices were mixed over the week up early but down significantly Friday to end the week lower, week-over-week. The September to November 2015, feeder cattle futures contracts declined between US$0.100 and US$0.650 per cwt, week-over-week. The nearby September contract declined US$0.650 per cwt to settle Friday at US$200.700 per cwt, while the October contract declined US$0.600 per cwt to settle Friday at US$195.100 per cwt.



Source: CME



Source: CME

Live cattle futures prices were also mixed over the week higher early in the week and down Friday to end the week mixed, week-over week. The nearby October contract edged slightly higher (US$0.125 per cwt) to settle Friday at US$140.600 per cwt, while the December contract declined US$0.400 per cwt to settle Friday at US$142.375 per cwt.

Iowa cash corn prices and corn futures moved higher, week-over-week. Iowa cash corn prices increased 11 cents over the week to settle on Friday at US$3 40 per bushel. The September corn futures contract increased 25 cents to settle Friday at US$3.74½ per bushel, while the December corn futures contract increased 24 cents to settle Friday at $3.87 per bushel. Half of the price gains were on Friday when world corn production estimates were lowered by 7.5 million tons.

Fed and Non-fed Cattle

	September 11, 2015	September 4, 2015	Change over Week
Steers (Alberta)			
Live	$180.10	$179.48	+$0.62
Rail	$294.50-298.50	$296.00-300.50	-$1.50to-2.00
Cows (Alberta)			
D1,2 Live	$136.13	$140.88	-$4.75
D3 Live	$124.38	$129.38	-$5.00
Rail	$255-260	$264-269	-$9.00

Source: Canfax. (n/a = not available, n/c = no change)

Prices for liveweight, non-fed cattle in Alberta were lower over the week. For the week D1,2 slaughter cows declined $4.75 per cwt to average $136.13 per cwt, while the price of D3 slaughter cows declined $5.00 per cwt to average $124.38 per cwt.

Fed cattle prices in Western Canada for Alberta fed steers were reported to average $180.10 per cwt for the week, up $0.62 per cwt from $179.48 per cwt the previous week.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US$139.18 per cwt, down US$2.57 per cwt from US$141.75 per cwt the previous week, and down 13.5 per cent from US$160.84 per cwt the same week a year ago. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$219.12 per cwt, down US$3.02 per cwt from US$222.14 per cwt the previous week, and down 12.1 per cent from US$249.20 per cwt the same week a year ago.

Choice beef cutout prices (600-900 lb.) averaged US$238.44 per cwt over the week, down US$2.62 per cwt or 1.1 per cent from US$241.06 per cwt the previous week, and down 5.0 per cent from US$251.08 per cwt the same week a year ago.

Beef production for the shorter holiday (Labor Day) week ending September 5 was estimated at 418.9 million lb., down 9.7 per cent from 463.9 million lb. the previous week, and down 13.1 per cent from 482.83 million lb. the same week a year ago. Cattle slaughtered over the week were estimated at 501,000 head, down 9.9 per cent higher from 556,000 head the previous week, and down 14.9 per cent from 589,000 head the same week a year ago.

USDA World Agricultural Supply and Demand Estimates (WASDE)

On September 11 the USDA released the September World Agricultural Supply and Demand Estimates (WASDE). United States September corn production estimates were reduced by 1.3 bushels per acre to 167.5 bushels per acre from August. U.S. corn production estimates for September totaled 13.585 billion bushels, down 101 million bushels from August. USDA estimates were slightly lower than the average trade estimates of 167.6 bushels per acre and total estimated production of 13.599 billion bushels. The projected 2015/16 ending U.S. corn stocks were reduced by 121 million bushels or 7.1 per cent from August to September. U.S. farm corn price estimates were increased by ten cents per bushel to range between US$3.45 and US$4.05 per bushel for 2015/16. USDA projected global corn production 7.5 million tons lower from August with a 4.3-million ton reduction from the European Union along with declines from the United States.

USDA September World Agricultural Supply and Demand Estimates

		Million Pounds				Total Red Meat
	Quarter	Beef	Pork	Broiler	Turkey	& Poultry
2013	**Annual**	**25,720**	**23,187**	**37,830**	**5,806**	**93,333**
2014	**Annual**	**24,252**	**22,843**	**38,550**	**5,756**	**92,171**
2015	Aug. Proj.	23,759	24,581	40,245	5,632	94,971
2015	**Sept. Proj.**	**23,549**	**24,526**	**40,012**	**5,568**	**94,406**
% Chg.	Aug. - Sept.15	-0.88%	-0.22%	-0.58%	-1.14%	**-0.59%**
% Chg.	**2014-2015**	**-2.90%**	**7.37%**	**3.79%**	**-3.27%**	**2.42%**
2016	**Sept. Proj.**	**24,930**	**24,705**	**41,100**	**6,010**	**97,514**

Source: USDA September WASDE Report, September 11, 2015

The USDA WASDE report estimated that United States Red Meat and Poultry production for 2015 will be 94.406 billion lb., a 0.6 per cent decrease from the August estimates, but still a 2.4 per cent increase from 2014. United States meat production for 2015 is projected to increase for pork (+7.4%), broilers (+3.8%), but decrease for beef (-2.9%) and turkeys (-3.3%), from 2014. Meat production estimates for the fourth quarter of 2015 were reduced from August. Likewise, 2016 meat production estimates were reduced slightly from August but still pegged at 97.514 billion lb., up 3.3 per cent from current 2015 projections, with beef (+5.9%) and turkey (+7.9%) leading the way.

Friday Price Information

Product		This Week (Sept. 11, 2015)	Week of: (Sept. 4 , 2015)	Week of: (Sept. 12, 2014)
Canadian Dollar (closing rate US$)		.7545	.7539	.9014
U.S. Cash Cattle				
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		205.18	207.82	227.74
Seven-day Weighted Average FC Index Wt. (lb.)		771	763	762
Live Fed 5-area Steer Price (US$ per cwt)		139.18	141.75	160.84
Feed Grains				
Barley	Lethbridge ($/tonne)	N.A.	$215.00	166.00
	($ per bu.)	N.A.	$4.68	3.61
Corn	Iowa State Average (CDN$/tonne)*	177.40	171.80	140.63
	(US$ per bu.)	3.40	3.29	3.22
	Omaha, NE (CDN$/tonne)*	184.71	180.16	147.18
	(US$ per bu.)	3.54	3.45	3.37
Futures				
	Sept. Corn (US$ per bu.)	3.74½	3.49½	3.39
	Dec. Corn (US$ per bu.)	3.87	3.63	3.38½
	October Live Cattle (US$ per cwt)	140.600	140.475	156.275
	December Live Cattle (US$ per cwt)	142.375	142.775	159.250
	September Feeder Cattle (US$ per cwt)	200.700	201.350	229.475
	November Feeder Cattle (US$ per cwt)	192.800	192.900	223.925

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship,
Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
* conversion to CDN$ is based on Friday's CDN$ closing rate (This week it is Thursday's CDN$)

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